

UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

In Re: Thomson-Shore, Inc.

Case No. 19-44343-tjt

Chapter 11

Hon: Thomas J. Tucker

Debtor.

**DEBTOR'S MONTHLY OPERATING REPORT  
FOR THE PERIOD ENDING MARCH 31, 2019**

/s/ Scott M. Kwiatkowski

Scott M. Kwiatkowski (P67871)

Attorneys for Debtor

4000 Town Center, Suite 1200

Southfield, MI 48075

Phone: (248) 355-5300

Fax: (248) 355-4644

scott@bk-lawyer.net

Dated: May 2, 2019

UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF MICHIGAN

TRANSMITTAL OF FINANCIAL REPORTS AND  
CERTIFICATION OF COMPLIANCE WITH  
UNITED STATES TRUSTEE OPERATING REQUIREMENTS FOR

THE PERIOD ENDED: 3-31-2019

In re:

Case Number: 19-44343-tjt

THOMSON-SHORE, INC.,

Chapter 11

Debtor.

Hon. Thomas J. Tucker

As debtor in possession, I affirm:

1. That I have reviewed the financial statements attached hereto, consisting of:

<input checked="" type="checkbox"/> Operating Statement	(Form 2)
<input checked="" type="checkbox"/> Balance Sheet	(Form 3)
<input checked="" type="checkbox"/> Summary of Operations	(Form 4)
<input checked="" type="checkbox"/> Monthly Cash Statement	(Form 5)
<input checked="" type="checkbox"/> Statement of Compensation	(Form 6)
<input checked="" type="checkbox"/> Schedule of In-Force Insurance	(Form 7)

and that they have been prepared in accordance with normal and customary accounting practices, and fairly and accurately reflect the debtor's financial activity for the period stated;

2. That the insurance, including workers' compensation and unemployment insurance, as described in Section 5 of the Operating Instructions and Reporting Requirements For Chapter 11 Cases is in effect; and, (If not, attach a written explanation) YES ☒ NO ☐
3. That all post-petition taxes as described in Sections 9 of the Operating Instructions and Reporting Requirements For Chapter 11 cases are current. (If not, attach a written explanation) YES ☒ NO ☐
4. No professional fees (attorney, accountant, etc.) have been paid without specific court authorization. (If not, attach a written explanation) YES ☒ NO ☐
5. All United States Trustee Quarterly fees have been paid and are current. YES ☒ NO ☐
6. Have you filed your pre-petition tax returns. (If not, attach a written explanation) YES ☐ NO ☒  
*Have applied for tax extension.*

I hereby certify, under penalty of perjury, that the information provided above and in the attached documents is true and correct to the best of my information and belief.

Dated: 4-22-19

Ben Mathison  
Debtor in Possession

CFO  
Title

734-426-1736  
Phone

Form 1

**OPERATING STATEMENT (P&L)**

Period Ending: \_\_\_\_\_

Case No: 19-44343-tjt

	Current Month	Total Since Filing
Total Revenue/Sales		
Cost of Sales		
GROSS PROFIT		
EXPENSES:		
Officer Compensation		
Salary Expenses other Employees		
Employee Benefits & Pensions		
Payroll Taxes		
Other Taxes		
Rent and Lease Expense		
Interest Expense		
Insurance		
Automobile and Truck Expense		
Utilities (gas, electric, phone)		
Depreciation		
Travel and Entertainment		
Repairs and Maintenance		
Advertising		
Supplies, Office Expense, etc.		
Other Specify		
Other Specify		
TOTAL EXPENSES:		
NET OPERATING PROFIT/(LOSS)		
Add: Non-Operating Income:		
Interest Income		
Other Income		
Less: Non-Operating Expenses:		
Professional Fees		
Other		
NET INCOME/(LOSS)		

*See Attached*

*P&L*

Form 2

# BALANCE SHEET

Period Ending: \_\_\_\_\_

Case No: 19-44343-tjt

	<u>Current Month</u>	<u>Prior Month</u>	<u>At Filing</u>
<b>ASSETS:</b>			
Cash:			
Inventory:			
Accounts Receivables:			
Insider Receivables:			
Land and Buildings:			
Furniture, Fixtures & Equip:			
Accumulated Depreciation:			
Other:			
Other:			
<b>TOTAL ASSETS:</b>			
<b>LIABILITIES:</b>			
Post-petition Liabilities:			
Accounts Payable:			
Rent and Lease Payable:			
Wages and Salaries:			
Taxes Payable:			
Other:			
<b>TOTAL Post-petition Liabilities</b>			
Secured Liabilities:			
Subject to Post-petition			
Collateral or Financing Order			
All Other Secured Liabilities			
<b>TOTAL Secured Liabilities</b>			
Pre-petition Liabilities:			
Taxes & Other Priority Liabilities			
Unsecured Liabilities:			
Other:			
<b>TOTAL Pre-petition Liabilities</b>			
Equity:			
Owners Capital:			
Retained Earnings-Pre Petition.			
Retained Earnings-Post Petition.			
<b>TOTAL Equity:</b>			
<b>TOTAL LIABILITIES</b>			
<b>/AND EQUITY</b>			

see Attached Sheets  
Balance

Form 3

# SUMMARY OF OPERATIONS

Period Ended: \_\_\_\_\_

Case No: 19-44343-tjt

## Schedule of Post-Petition Taxes Payable

	<u>Beginning Balance</u>	<u>Accrued/ Withheld</u>	<u>Payments/Deposits</u>	<u>Ending Balance</u>
Income Taxes Withheld:				
Federal:	0	52,824.51	52,824.51	0
State:	0	22,573.86	22,573.86	0
Local:	0	304.60	304.60	0
FICA Withheld:	0	44,644.08	44,644.08	0
Employers FICA:	0	44,644.09	44,644.09	0
Unemployment Tax:				
Federal:	0	1,106.67	1,106.67	0
State:	0	11,980.59	11,980.59	0
Sales, Use & Excise Taxes:				
Property Taxes:	\$88,541.50	0	0	\$88,541.50
Workers' Compensation	0	0	\$7,068.-	0
Other:	0	0	0	0
TOTALS:	\$88,541.50			\$88,541.50

## AGING OF ACCOUNTS RECEIVABLE AND POST-PETITION ACCOUNTS PAYABLE

Age in Days Post Petition	0-30	30-60	Over 60
Accounts Payable*	0	0	0
* Paying up front or COD.			
Accounts Receivable	1,536,520.-	843,520	944,582

For all post-petition accounts payable over 30 days old, please attach a sheet listing each such account, to whom the account is owed, the date the account was opened, and the reason for non-payment of the account.

Describe events or factors occurring during this reporting period materially affecting operations and formulation of a Plan of Reorganization:

None

Form 4

# MONTHLY CASH STATEMENT

Period Ending: \_\_\_\_\_

Cash Activity Analysis (Cash Basis Only):

Case No: 19-44343-tjt

	General Acct.	Payroll Acct.	Tax Acct.	Cash Coll. Acct.	Petty Cash Acct.
A. Beginning Balance	79,055.43	-0	37,771.86	-0	200.00
B. Receipts (Attach separate schedule)	2,142,332.60	-0	-0	-0	-0
C. Balance Available (A + B)	2,221,388.03	-0	37,771.86	-0	200.00
D. Less Disbursements (Attach separate schedule)	1,957,682.30	-0	-0	-0	-0
E. ENDING BALANCE (C - D)	263,705.73	-0	37,771.86	-0	200.00

ATTENTION: Please enter the TOTAL DISBURSEMENT from all your accounts, including cash and excluding transfers, onto the line below. This is the number that will determine your quarterly fee payment. \$ 1,957,682.30

(PLEASE ATTACH COPIES OF MOST RECENT RECONCILED BANK STATEMENTS FROM EACH ACCOUNT)

General Account:

1. Depository Name & Location Old National Bank, Dexter, MI
2. Account Number 103226324

Payroll Account:

1. Depository Name & Location Old National Bank, Dexter, MI
2. Account Number 103226236

Tax Account:

1. Depository Name & Location Old National Bank, Dexter, MI
2. Account Number 103226247

Other monies on hand (specify type and location) i.e., CD's, bonds, etc.):

0

Date: 4-19-19

Debtor in Possession

Thomson Shore

Form 5

# MONTHLY STATEMENT OF INSIDER COMPENSATION/PAYMENTS

Period Ending: \_\_\_\_\_

Case No: 19-44343-tjt

The following information is to be provided for each shareholder, officer, director, manager, insider, or owner that is employed by the debtor in possession. (Attach additional pages if necessary.)

Name: \_\_\_\_\_

Capacity: \_\_\_\_\_ Shareholder  
\_\_\_\_\_ Officer  
\_\_\_\_\_ Director  
\_\_\_\_\_ Insider

Detailed Description of Duties: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Current Compensation Paid:	Weekly	or	Monthly
	_____		_____

Current Benefits Paid:	Weekly	or	Monthly
	_____		_____

Health Insurance	_____		_____
Life Insurance	_____		_____
Retirement	_____		_____
Company Vehicle	_____		_____
Entertainment	_____		_____
Travel	_____		_____
Other Benefits	_____		_____
Total Benefits	_____		_____

*See Attached*

Current Other Payments Paid:	Weekly	or	Monthly
	_____		_____

Rent Paid	_____		_____
Loans	_____		_____
Other (Describe)	_____		_____
Other (Describe)	_____		_____
Other (Describe)	_____		_____
Total Other Payments	_____		_____

CURRENT TOTAL OF ALL PAYMENTS:	Weekly	or	Monthly
	_____		_____

Dated: \_\_\_\_\_

\_\_\_\_\_  
Principal, Officer, Director, or Insider

Form 6

# SCHEDULE OF IN-FORCE INSURANCE

Period Ending: March 31, 2019

Case No: 19-44343-tjt

<u>INSURANCE TYPE</u>	<u>CARRIER</u>	<u>EXPIRATION DATE</u>
<u>Workers' Compensation</u>	<u>Sentry Insurance</u>	<u>6-30-19</u>
<u>General Business Policy</u>	<u>"</u>	<u>"</u>
<u>Directors &amp; Officers</u>	<u>starr</u>	<u>9-30-19</u>
<u>Health</u>	<u>Blue Cross/Blue Shield of NC</u>	<u>12-31-19</u>

Form 7



# MONTHLY STATEMENT OF INSIDER COMPENSATION/PAYMENTS

Period Ending: March 31, 2019

Case No: 19-44343-tjt

The following information is to be provided for each shareholder, officer, director, manager, insider, or owner that is employed by the debtor in possession. (Attach additional pages if necessary.)

Name: Peter Sharma

Capacity: ☒ Shareholder  
☒ Officer  
☒ Director  
☐ Insider

Detailed Description of Duties: CEO

<b>Current Compensation Paid:</b>	<u>B</u> - Weekly <u>\$6,994.-</u>	or	Monthly
<b>Current Benefits Paid:</b>	Weekly	or	Monthly
Health Insurance	_____		_____
Life Insurance	_____		_____
Retirement	_____		_____
Company Vehicle	_____		_____
Entertainment	_____		_____
Travel	_____		_____
Other Benefits	_____		_____
Total Benefits	<u>0</u>		_____
<b>Current Other Payments Paid:</b>	Weekly	or	Monthly
Rent Paid	_____		_____
Loans	_____		_____
Other (Describe)	_____		_____
Other (Describe)	_____		_____
Other (Describe)	<u>0</u>		_____
Total Other Payments	_____		_____
<b>CURRENT TOTAL OF ALL PAYMENTS:</b>	<u>B</u> - Weekly <u>\$6,994.-</u>	or	Monthly
Dated: <u>4-18</u>	<u>Ben Mathison, CFO</u> Principal, Officer, Director, or Insider		

Form 6

# MONTHLY STATEMENT OF INSIDER COMPENSATION/PAYMENTS

Period Ending: March 31, 2019

Case No: 19-44343-tjt

The following information is to be provided for each shareholder, officer, director, manager, insider, or owner that is employed by the debtor in possession. (Attach additional pages if necessary.)

Name: Robert Dargy

Capacity: ☐ Shareholder  
☒ Officer  
☐ Director  
☐ Insider

Detailed Description of Duties: VP of Sales

Current Compensation Paid: \$ - Weekly or Monthly  
\$5,263.-

Current Benefits Paid: Weekly or Monthly

Health Insurance	_____	_____
Life Insurance	_____	_____
Retirement	_____	_____
Company Vehicle	_____	_____
Entertainment	_____	_____
Travel	_____	_____
Other Benefits	_____	_____
Total Benefits	<u>0</u>	_____

Current Other Payments Paid: Weekly or Monthly

Rent Paid	_____	_____
Loans	_____	_____
Other (Describe)	_____	_____
Other (Describe)	_____	_____
Other (Describe)	<u>0</u>	_____
Total Other Payments	_____	_____

CURRENT TOTAL OF ALL PAYMENTS: \$ - Weekly or Monthly  
\$5,263.-

Dated: 4-15-19

Ben Mathison CFO  
Principal, Officer, Director, or Insider

# MONTHLY STATEMENT OF INSIDER COMPENSATION/PAYMENTS

Period Ending: March 31 2019

Case No: 19-44343-tjt

The following information is to be provided for each shareholder, officer, director, manager, insider, or owner that is employed by the debtor in possession. (Attach additional pages if necessary.)

Name: Ben Mattison

Capacity: ☐ Shareholder  
☒ Officer  
☐ Director  
☐ Insider

Detailed Description of Duties: CEO

Current Compensation Paid: Bi-Weekly or Monthly  
\$5,263.-

Current Benefits Paid:	Weekly	or	Monthly
Health Insurance	_____		_____
Life Insurance	_____		_____
Retirement	_____		_____
Company Vehicle	_____		_____
Entertainment	_____		_____
Travel	_____		_____
Other Benefits	_____		_____
Total Benefits	<u>0</u>		_____

Current Other Payments Paid:	Weekly	or	Monthly
Rent Paid	_____		_____
Loans	_____		_____
Other (Describe)	_____		_____
Other (Describe)	_____		_____
Other (Describe)	<u>0</u>		_____
Total Other Payments	_____		_____

CURRENT TOTAL OF ALL PAYMENTS: Weekly or Monthly  
\$5,263.-

Dated: 4-18-19

Ben Mattison, CEO  
Principal, Officer, Director, or Insider

# MONTHLY STATEMENT OF INSIDER COMPENSATION/PAYMENTS

Period Ending: March 31, 2019

Case No: 19-44343-tjt

The following information is to be provided for each shareholder, officer, director, manager, insider, or owner that is employed by the debtor in possession. (Attach additional pages if necessary.)

Name: Lori Minnick

Capacity:

☐ Shareholder  
☒ Officer  
☐ Director  
☐ Insider

Detailed Description of Duties: VP HR

Current Compensation Paid:

B - Weekly  
\$3,340.-

or

Monthly

Current Benefits Paid:

Weekly

or

Monthly

Health Insurance

\$350.-

Life Insurance

Retirement

Company Vehicle

Entertainment

Travel

Other Benefits

Total Benefits

Current Other Payments Paid:

Weekly

or

Monthly

Rent Paid

Loans

Other (Describe)

Other (Describe)

Other (Describe)

Total Other Payments

CURRENT TOTAL OF ALL PAYMENTS:

Weekly

or

Monthly

\$3,690

Dated: 4-18-2019

Ben Matheson

Principal, Officer, Director, or Insider

Form 6

04/18/2019 09:37:17

Consolidated Income Statement w/WIP  
Variation

Account Name	March 2019 Month	% of Sales	February 2019 Month	% of Sales
	( \$ )	( % )	( \$ )	( % )
REVENUES				
Sales - Net Book Sales	1,205,706.51	81.81	1,718,992.50	85.91
Sales - Ancillary Product	0.00	0.00	131.36	0.01
Sales-Digital Print Center-All Products	128,851.24	8.74	188,978.72	9.44
Sales-Customer Asset Management	945.00	0.06	-90.00	0.00
Sales - Bessenberg Bindery	0.00	0.00	0.00	0.00
Sales - Seattle Book Company	72,738.15	4.94	56,431.05	2.82
Sales - Publish Next	18,461.00	1.25	20,762.65	1.04
Sales Net Freight	47,051.28	3.19	15,740.52	0.79
Sales	1,473,753.18	100.00	2,000,946.80	100.00
Cost of Goods MFG	1,387,495.07	94.15	1,794,931.96	89.70
Gross Profit	86,258.11	5.85	206,014.84	10.30
Administrative OE	180,041.09	12.22	254,942.15	12.74
Operating Income	-93,782.98	-6.36	-48,927.31	-2.45
Other Income (expense)	-86,364.56	-5.86	-6,893.50	-0.34
Income Before Interest	-180,147.54	-12.22	-55,820.81	-2.79
Interest Expense	49,490.62	3.36	50,659.59	2.53
Income Before Gain (Loss) on the Sale of Assets	-229,638.16	-15.58	-106,480.40	-5.32
Gain (Loss) on Sale of Assets	0.00	0.00	0.00	0.00
Income Before Incentives	-229,638.16	-15.58	-106,480.40	-5.32
Profit Sharing - ESOP	0.00	0.00	0.00	0.00
Income Before Bonuses	-229,638.16	-15.58	-106,480.40	-5.32
Profit Sharing-Team	0.00	0.00	0.00	0.00
Profit Sharing-Rework	0.00	0.00	0.00	0.00
Profit Sharing-Management	0.00	0.00	0.00	0.00
Profit Sharing	0.00	0.00	0.00	0.00
Income Before Taxes on Income	-229,638.16	-15.58	-106,480.40	-5.32
Federal Taxes	0.00	0.00	0.00	0.00
NET INCOME	-229,638.16	-15.58	-106,480.40	-5.32
EBITDA	-88,641.24	-6.01	64,213.46	3.21
EBITDA with ESOP	-88,641.24	-6.01	64,213.46	3.21
Turnaround Expenses	0.00	0.00	10,497.85	0.52

User: 1882

04/18/2019 09:37:17

Consolidated Income Statement w/WIP  
Variation

Pg 2

Account Name	March 2019 Month	% of Sales	February 2019 Month	% of Sales
	( \$ )	( % )	( \$ )	( % )
COST OF GOODS SOLD				
Production Materials				
Film	0.00	0.00	0.00	0.00
Paper	499,708.36	33.91	655,526.28	32.76
Plates	38,301.32	2.60	60,473.90	3.02
Chemicals	6,356.42	0.43	6,654.07	0.33
Ink	10,606.60	0.72	16,404.25	0.82
Lamination	23,904.67	1.62	25,391.34	1.27
Board	23,746.99	1.61	32,168.47	1.61
Cloth	24,644.60	1.67	59,404.94	2.97
Endsheets	14,708.45	1.00	21,752.90	1.09
Cartons	19,995.81	1.36	26,809.91	1.34
BBM	0.00	0.00	0.00	0.00
Cost of Sales - Bessenberg	0.00	0.00	0.00	0.00
Cost of Sales Publish Next/SBC	900.00	0.06	1,500.00	0.07
Outside Purchases combined	51,224.72	3.48	56,496.29	2.82
Less Purchase Discounts	0.00	0.00	0.00	0.00
Miscellaneous Income-Recycling	-21,137.50	-1.43	-28,827.93	-1.44
Total Production Material	692,960.44	47.02	933,754.42	46.67
WIP Material Adjustment	0.00	0.00	0.00	0.00
Total Adjusted Production Material	692,960.44	47.02	933,754.42	46.67
Manufacturing Wages				
Indirect	25,993.72	1.76	31,532.07	1.58
Supervision	22,431.23	1.52	29,248.47	1.46
Direct Wages	249,154.62	16.91	316,697.84	15.83
Subcontract Labor-Manufacturing	2,525.21	0.17	3,251.46	0.16
Total Manufacturing Wages	300,104.78	20.36	380,729.84	19.03
Manufacturing Expenses				
Rent Storage	0.00	0.00	0.00	0.00
Rent Equipment	0.00	0.00	810.61	0.04
Repair & Maintenance Bldg.	524.73	0.04	5,209.76	0.26
R & M Machinery	49,059.68	3.33	69,167.83	3.46
Utilities	25,879.09	1.76	35,157.10	1.76
Supplies	71,442.24	4.85	67,232.36	3.36
Depreciation Combined	87,484.00	5.94	113,000.00	5.65
Payroll Tax Expense Combined	28,004.06	1.90	50,248.75	2.51
Property Taxes	15,886.79	1.08	13,740.00	0.69
Insurance-General	2,200.00	0.15	6,204.00	0.31
Insurance-Workers' Comp	5,500.00	0.37	7,080.00	0.35
Insurance-Group Health & Life	54,575.77	3.70	90,157.87	4.51
COS Author Comp SBC	49,577.11	3.36	17,614.31	0.88
Postage and Freight	4,296.38	0.29	4,825.11	0.24
Total Manufacturing Exp.	394,429.85	26.76	480,447.70	24.01
Factory Overhead	0.00	0.00	0.00	0.00
Work In Process	0.00	0.00	0.00	0.00
Total WIP Variation	0.00	0.00	0.00	0.00
Total Cost of Goods Sold	1,387,495.07	94.15	1,794,931.96	89.70

User: 1882

04/18/2019 09:37:17

Consolidated Income Statement w/WIP  
Variation

B 3

Account Name	March 2019 Month	% of Sales	February 2019 Month	% of Sales
	( \$ )	( % )	( \$ )	( % )
GENERAL & ADMINISTRATIVE EXPENSES				
Salaries - Administrative	184,547.30	12.52	241,776.75	12.08
Salaries-Vacation Expense	0.00	0.00	0.00	0.00
Interest Contribution - ESOP	0.00	0.00	0.00	0.00
Retirement Savings Plan (401k)	0.00	0.00	0.00	0.00
Office Supplies and Services	491.51	0.03	216.87	0.01
R&M Automobile	1,461.46	0.10	283.71	0.01
Travel & Entertainment	2,183.44	0.15	6,675.78	0.33
Taxes-Multi State Business Tax	3,800.00	0.26	0.00	0.00
Taxes-Other	0.00	0.00	294.96	0.01
Telephone	1,998.81	0.14	2,003.89	0.10
Information Systems	-7,014.00	-0.48	14,732.11	0.74
Professional Fees	-21,271.99	-1.44	-25,018.07	-1.25
Bad Debt & Legal	3,979.00	0.27	5,079.00	0.25
Bank and Credit Card Fees	4,442.50	0.30	7,430.35	0.37
Advertising and Promotion	1,923.85	0.13	539.68	0.03
Employee Recruiting	0.00	0.00	837.54	0.04
Employee Relations	775.38	0.05	-86.38	0.00
Employee Training	20.00	0.00	25.96	0.00
Dues and Subscriptions	0.00	0.00	0.00	0.00
Donations	2,703.83	0.18	150.00	0.01
Total General & Administrative Expenses	180,041.09	12.22	254,942.15	12.74

Report Locale: USA United States  
Report Currency: USD US Dollars

User: 1882

03/14/2019 14:47:25

## Balance Sheet 2

B 1

## DESCRIPTION

February 2019

February 2018

( \$ )

( \$ )

## ASSETS

## CURRENT ASSETS

Cash	79,255.43	54,293.24
Accounts Receivable-Trade	2,794,740.31	2,839,683.13
A/R Customer Deposits	-737,432.52	-442,285.33
A/R Allowance for Bad Debt	-143,660.77	-77,256.26
A/R Other	13,954.86	15,131.56
A/R on Account for Adv Billing	0.00	0.00
Inventory	1,584,422.26	1,852,924.01
Pre-Paid Income Taxes	0.00	0.00
Net Deferred Income Taxes	0.00	0.00
Other Current Assets	168,099.82	230,710.99
Investments	46,624.33	30,947.12
Other Current Assets	3,806,003.72	4,504,148.46

## LONG TERM ASSETS

PROPERTY & EQUIPMENT, at cost		
Land & Land Improvements	330,620.46	330,620.46
Building & Leasehold Improvements	5,740,219.91	5,740,219.91
Machinery & Equipment	27,063,315.87	27,314,512.49
Machinery & Equipment-BB	85,239.89	0.00
Machinery & Equipment-DPC	2,006,400.91	1,670,905.87
Machinery & Equipment-PN/SBC	106,143.76	0.00
Construction in Progress	306,503.88	232,680.98
Total Property & Equipment	35,638,444.68	35,288,939.71
Less Accumulated Depreciation	-29,546,167.74	-27,999,702.20
Net Property & Equipment	6,092,276.94	7,289,237.51

## OTHER ASSETS

Investments Industrial Revenue Bonds	0.00	0.00
Deferred Financing Fees, net	92,654.49	109,499.61
Total Other Assets	92,654.49	109,499.61
Total Long Term Assets	6,184,931.43	7,398,737.12
Total Assets	9,990,935.15	11,902,885.58

User: 1882



P 2

## DESCRIPTION

February 2019

February 2018

(\$ )

(\$ )

## LIABILITIES &amp; EQUITY

## CURRENT LIABILITIES

Advance Billing	0.00	0.00
Accounts Payable-Trade	7,103,292.38	5,314,542.76
Accounts Payable-Pending	147,368.10	70,586.50
Accrued Severance	0.00	0.00
Accrued Expenses	242,251.01	146,592.06
Accrued Technology	0.00	0.00
Accrued Professional Fees	53,025.00	24,124.04
Accrued Marketing	0.00	0.00
Accrued Repairs & Maintenance	0.00	0.00
Accrued Training	0.00	0.00
Accrued Sales Discounts	3,150.00	12,120.00
Accrued Sales Tax	28,816.35	12,891.46
Misc. Employee Deductions	523.36	-2,181.15
Note Payable	0.00	0.00
Accrued Payroll	288,230.91	287,487.73
Accrued Vacation Payable	92,555.72	52,475.17
Accrued Bonus Pay	0.00	0.00
Accrued Group Health Insurance	0.00	15,625.00
Accrued Workers' Compensation	0.00	0.00
Accrued Insurance-General	0.00	0.00
Accrued Profit Sharing-ESOP	322,000.92	344,000.92
Accrued Savings Plan-401k	0.00	0.00
Accrued Federal Withholding Income Tax	0.00	0.00
Accrued FICA & Medicare	0.00	0.00
Accrued State Withholding Income Tax - MI & N	152.68	4.80
Accrued City Withholding Tax	0.00	0.00
Accrued FUTA Payable	0.00	0.00
Accrued SUI Payable - MI & NJ	-34,154.34	288.65
Accrued Property Taxes	27,480.00	27,500.00
Accrued Interest-Line of Credit	0.00	0.00
Crestmark Line of Credit	1,502,593.57	1,344,367.15
Accrued Interest Payable-United Bank & Trust	22,960.48	16,893.40
Accrued Interest-GE-Financial	0.00	0.00
Accrued Interest-National City Leasing	0.00	0.00
Accrued Federal Income Tax	0.00	0.00
Current Maturity of HP Lease	0.00	0.00
Current Maturity of Stock Note	0.00	0.00
Current Maturity-IRB Loan	0.00	0.00
Current Maturity of Oce Lease	0.00	0.00
Current Maturity of Deferred Compensation	0.00	0.00
Current Maturity SBA Loan	2,925,465.57	436,048.14
Current Maturity Mortgage	942,335.37	43,358.23
Current Maturity Phone Lease	0.00	0.00
Current Maturity Dir Capital	7,057.64	6,595.66
Current Mat Tegile Capital	0.00	6,661.10
Current Maturity Def Revenue	0.00	0.00
Current Mat Cannon DPC Printer	32,438.39	28,385.21
Total Current Liabilities	13,707,543.11	8,188,366.83

## LONG TERM LIABILITIES

Note Payable-National City	0.00	0.00
Note Payable - HP Lease	0.00	0.00
Note Payable-IRB	0.00	0.00
Note Payable Oce	0.00	0.00
Note Payable SBA Loan	0.00	2,920,395.36
Note Payable Mortgage	0.00	935,581.96
Note Payable Phone Lease	0.00	0.00
Note Payable Direct Capital	2,460.74	9,518.39
Note Payable Tegile Capital	0.00	0.00
Note Payable Cannon DPC Printer	102,832.90	135,271.28
Long Term Stock Note	0.00	0.00
Deferred Compensation	0.00	0.00
Deferred Comp-Rabbi Trust	0.00	0.00
Deferred Stock Appreciation	136,600.21	117,003.05

User: 1882

03/14/2019 14:47:25

Balance Sheet 2

B 3

DESCRIPTION

February 2019

February 2018

( \$ )

( \$ )

Total Long Term Liabilities	241,893.85	4,117,770.04
STOCKHOLDERS' EQUITY		
Capital Stock	19,350.00	19,350.00
Additional Paid in Capital	0.00	0.00
Stock Subscription Receivable	0.00	0.00
Retained Earnings	-3,678,011.80	1,608.08
RE-Other Comprehensive Income	0.00	0.00
Net Profit Current Year	-299,839.98	-424,209.34
Treasury Stock	0.00	0.00
Total Stockholders' Equity	-3,958,501.78	-403,251.26
Total Liabilities &		
Stockholders' Equity	9,990,935.18	11,902,885.61
Deferred Tax Asset & Liability - Netted in AS		

Report Locale: USA United States

Report Currency: USD US Dollars

User: 1882

04/16/2019 14:25:39

Balance Sheet 2

B 1

DESCRIPTION

March 2019

March 2018

( \$ )

( \$ )

ASSETS

CURRENT ASSETS

Cash	263,958.73	54,293.24
Accounts Receivable-Trade	2,838,340.98	2,839,683.13
A/R Customer Deposits	-887,825.31	-442,285.33
A/R Allowance for Bad Debt	-142,640.21	-77,256.26
A/R Other	65,921.94	15,131.56
A/R on Account for Adv Billing	0.00	0.00
Inventory	1,574,756.34	1,852,924.01
Pre-Paid Income Taxes	0.00	0.00
Net Deferred Income Taxes	0.00	0.00
Other Current Assets	202,039.55	230,710.99
Investments	40,332.71	30,947.12
Other Current Assets	3,954,884.73	4,504,148.46

LONG TERM ASSETS

PROPERTY & EQUIPMENT, at cost

Land & Land Improvements	330,620.46	330,620.46
Building & Leasehold Improvements	5,740,219.91	5,740,219.91
Machinery & Equipment	27,063,315.87	27,314,512.49
Machinery & Equipment-BB	85,239.89	0.00
Machinery & Equipment-DPC	2,006,400.91	1,670,905.87
Machinery & Equipment-PN/SBC	106,143.76	0.00
Construction in Progress	310,308.88	232,680.98
Total Property & Equipment	35,642,249.68	35,288,939.71
Less Accumulated Depreciation	-29,633,651.74	-27,999,702.20
Net Property & Equipment	6,008,597.94	7,289,237.51

OTHER ASSETS

Investments Industrial Revenue Bonds	0.00	0.00
Deferred Financing Fees, net	91,250.73	109,499.61
Total Other Assets	91,250.73	109,499.61
Total Long Term Assets	6,099,848.67	7,398,737.12
Total Assets	10,054,733.40	11,902,885.58

User: 1862

Pg 2

## DESCRIPTION

March 2019

March 2018

( \$ )

( \$ )

## LIABILITIES &amp; EQUITY

## CURRENT LIABILITIES

Advance Billing	0.00	0.00
Accounts Payable-Trade	7,164,354.20	5,314,542.76
Accounts Payable-Pending	291,222.12	70,586.50
Accrued Severance	0.00	0.00
Accrued Expenses	-8,024.29	146,592.06
Accrued Technology	0.00	0.00
Accrued Professional Fees	0.00	24,124.04
Accrued Marketing	0.00	0.00
Accrued Repairs & Maintenance	0.00	0.00
Accrued Training	0.00	0.00
Accrued Sales Discounts	3,320.00	12,120.00
Accrued Sales Tax	31,956.93	12,891.46
Misc. Employee Deductions	523.36	-2,181.15
Note Payable	0.00	0.00
Accrued Payroll	149,074.40	287,487.73
Accrued Vacation Payable	92,555.72	52,475.17
Accrued Bonus Pay	0.00	0.00
Accrued Group Health Insurance	0.00	15,625.00
Accrued Workers' Compensation	0.00	0.00
Accrued Insurance-General	0.00	0.00
Accrued Profit Sharing-ESOP	322,000.92	344,000.92
Accrued Savings Plan-401k	0.00	0.00
Accrued Federal Withholding Income Tax	0.00	0.00
Accrued FICA & Medicare	-0.02	0.00
Accrued State Withholding Income Tax - MI & N	152.68	4.80
Accrued City Withholding Tax	0.00	0.00
Accrued FUTA Payable	0.00	0.00
Accrued SUI Payable - MI & NJ	-64,027.02	288.63
Accrued Property Taxes	38,080.00	27,500.00
Accrued Interest-Line of Credit	0.00	0.00
Crestmark Line of Credit	1,689,526.07	1,344,367.15
Accrued Interest Payable-Old National Bank	42,437.72	16,893.40
Accrued Interest-GE-Financial	0.00	0.00
Accrued Interest-CJK	2,640.73	0.00
Accrued Federal Income Tax	0.00	0.00
Current Maturity of HP Lease	0.00	0.00
Current Maturity of Stock Note	0.00	0.00
Current Maturity-IRB Loan	0.00	0.00
Current Maturity of Oce Lease	0.00	0.00
Current Maturity of Deferred Compensation	0.00	0.00
Current Maturity SBA Loan	2,925,465.57	436,048.14
Current Maturity Mortgage	942,335.37	43,358.23
Current Maturity Phone Lease	0.00	0.00
Current Maturity Dir Capital	7,097.57	6,595.66
Current Mat Tegile Capital	0.00	6,661.10
Current Maturity Def Revenue	0.00	0.00
Current Mat Cannon DPC Printer	32,801.21	28,385.21
Total Current Liabilities	13,663,493.24	8,188,366.83

## LONG TERM LIABILITIES

Note Payable-National City	0.00	0.00
Note Payable - HP Lease	0.00	0.00
Note Payable-IRB	0.00	0.00
Note Payable Oce	0.00	0.00
Note Payable SBA Loan	0.00	2,920,395.36
Note Payable Mortgage	0.00	935,581.96
Note Payable-CJK	341,000.00	0.00
Note Payable Phone Lease	0.00	0.00
Note Payable Direct Capital	1,850.75	9,518.39
Note Payable Tegile Capital	0.00	0.00
Note Payable Cannon DPC Printer	99,929.17	135,271.28
Long Term Stock Note	0.00	0.00
Deferred Compensation	0.00	0.00
Deferred Comp-Rabbi Trust	0.00	0.00

User: 1882

04/16/2019 14:25:39

Balance Sheet 2

63

DESCRIPTION	March 2019	March 2018
	( \$ )	( \$ )
Deferred Stock Appreciation	136,600.21	117,003.05
Total Long Term Liabilities	579,380.13	4,117,770.04
STOCKHOLDERS' EQUITY		
Capital Stock	19,350.00	19,350.00
Additional Paid in Capital	0.00	0.00
Stock Subscription Receivable	0.00	0.00
Retained Earnings	-3,678,011.80	1,608.08
RE-Other Comprehensive Income	0.00	0.00
Net Profit Current Year	-529,478.14	-424,209.34
Treasury Stock	0.00	0.00
Total Stockholders' Equity	-4,188,139.94	-403,251.26
Total Liabilities & Stockholders' Equity	10,054,733.43	11,902,885.61
Deferred Tax Asset & Liability - Netted in AS		

Report Locale: USA United States  
Report Currency: USD US Dollars

User: 1882